ANNEXURE NO. 4

[*Vide* Unstarred Question No. 1651(C) answered on 10th August, 2006]

Summary of the details of the views expressed by public representatives, experts and others and examination of issues raised in responses received on Draft Amendment Proposal on Indian Post Office Act, 1898.

Sl. No.	Particulars of respondents	Issue raised with rationale	Existing provision in IPO Act, 1898	Comments of the Department
1	2	3	4	5
	1. Responses received from **Courier companies** (i) Express Industry Council of India (ii) Blue Dart (iii) DHL (iv) Federal Express (v) Delhi Courier Association (vi) Courier Association of India (vii) Global Express Association (viii) Gujarat Courier Association (ix) Continental Oversees Courier (x) Rajasthan Couriers Association (xi) All Gujarat Courier Association (xii) Professional Courier Pvt Ltd. (xiii) National Courier Association (xiv) Uttar Pradesh Courier Association	1. **Monopoly on letters up to 300 gms:** **Section 4 of the Draft IPO (Amendment) Bill—2006 EICI, Blue Dart, DHL, Federal Express, Delhi Courier Association, Courier Association of India, Global Express Association, Rajasthan Couriers Association. The Professional Couriers Pvt. Ltd., National Association, Uttar Pradesh Courier Association** **Recognize the need to have Monopoly by Indiapost** but has pointed out that there should be separation of Express service and ordinary mail delivery. Express industry is separate and distinct from the traditional postal service and Express service provider cater to different segments than persons seeking merely communicate by letters	**Section—4** **Exclusive privilege of conveying letters reserved to the Government—(1)** Wherever within India posts or postal communications are established by the Central Government, the Central Government shall have the exclusive privilege of conveying by post, from one place to another, all letters except in the following cases, and shall also have the exclusive privilege of performing all the incidental services of receiving, collecting, sending, dispatching and delivering all letters,	The Express courier industry claims to be booking, carrying and conveying only time sensitive express mails but the fact, however, is that all courier companies

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	2. Responses received from **organizations,** which are not doing courier business but dealing with consumer issues, have offered their suggestions on the draft amendment proposal. I. Gamya Foundation II. CUTS International III. Karnataka Couriers Welfare Association IV. Federation of A.P. Chambers of Commerce and Industry. V. US India Business Council. VI. Coalition of Service Industries VIII. Kerala Chambers of Commerce. VIII. Nag-Vidarbha Chambers of Commerce. IX. Indian Chamber of Commerce and Industry Coimbatore. X District Consumers Information Center, Ramnathpuram, Tamil Nadu. XI. Consumer Protection Council, Tamil Nadu, Tiruchirappali. XII. National Consumers Helpline XIII. Competition Commission of India 3. Responses received through email	and provide value addition, proof of delivery, tracking, tracing, packaging, deferred payment, risk management, cash on delivery, customs management, customized transportation solution, warehousing There should be price multiple on lowest weight slab. Monopoly restricts right of choice of consumer and against the spirit of competition and free trade. Definition of Letter so widened that it includes all documents effecting the credibility of document communication in India Documents weighing less 300 gms being a significant portion of business could significantly impair business. DOP wants to shore up its revenue through this provision rather than competition or enhancing its own efficiency. It will be de jure restriction for documents weighing less than 300 gms which is hereto de facto open. This will result in great set back to private courier industry.	except in the following cases that is to say— (a) letters sent by a private friend in his way, journey or travel, to be delivered by him to the person to whom they are directed without hire, reward or other profit or advantages of receiving, carrying or delivering them, (b) letters solely concerning the affairs of the sender or receiver thereof, sent by a messenger on purpose; and (c) letters solely concerning goods or property send either by sea or by land to be delivered with the goods or property, which the letters concern, without hire, reward or other profit or advantage for receiving, carrying or delivering them	are accepting even ordinary mail with other incidental services related to letter like collection, carriage and delivery etc. which falls within the monopoly of the government. While the monopoly is greatly diluted in the proposal, a level playing ground is sought to be established also Separation of an express service and ordinary mail delivery is not practicable for the purpose of enforcement of exclusive privilege of the Central Government The illegal and unlawful practice in this country has evolved over a period of time by which the courier companies may continue to handle any consignment under the guise of its express nature.

A total of 402 responses were received through email. 4 Responses received through ordinary mail In all 82342 responses received in Directorate through couriers. None of these responses pertains to the regions falling in AP, Bihar, Haryana, HP, Jharkhand, J&K, NE, Orissa and Punjab Circles. Highest number of responses have been received from TN followed by MP, Maharashtra, Gujarat, Delhi, UP, Rajasthan, Karnataka, Kerala, Chhattisgarh, West Bengal and Assam.	Prohibit the pick up and delivery of International Express shipments within India thus debarring international service providers of carrying documents up to 300 gms Monopoly to be defined in narrowest possible way based on combination of price and weight threshold excluding Express Delivery services. Monopoly be at or below 2.5 times the standard letter tariff as adopted by other postal regulators. It also provides an appropriate differentiation between postal and express delivery services while at the same time safeguarding revenue to support the national universal service obligation. The Price which is higher than the postal letter rate on the lowest weight slab should be the governing factor Not operate in the same place as India Post. It caters to the business segments. Considerable investment to bring value added services.	(d) Provided that nothing in this section shall authorize any person to make a collection of letters excepted as aforesaid for the purpose of sending them otherwise than by post. 2. For the purposes of this Section and Section- 5, the expression "letters" includes Postcards. No existing provision.	The proposal empowers the Central Government to voluntary liberalize and open up this exclusive privilege to enable couriers to operate in a legal, regulated and accountable manner. Any relaxation in the exclusive privilege would infact amount to be opening up of the mail sector in India. Whle introducing reforms in postal sector, the provision of keeping exclusive privilege in form of weight, tariff and dimension is in practice in the most of the countries. Weight based exclusive privilege is common amongst postal administrations. The monopoly over a specific part of the letter mail of all descriptions up to a specified weight limit is essential as the Department of Posts is required to fulfill the Universal Service Obligation (USO), which involves postal coverage to	

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				financially non-viable areas also at affordable rates for the common man. The requirement of keeping a small segment of postal business with Central Government as its exclusive privilege is essential courier companies are operating only in urban and creamy areas and big business centres with sole motive of profit without corresponding responsibility towards deprived class of people residing in rural, remote, hilly, tribal and inaccessible areas of the country.
		Business document is significant segment of business. The proposed 300 gms weight break for monopoly would impact materially and have enormous administrative implications, impossible to manage and monitor.		The exclusive privilege in respect of letter class of postal articles sought to be retained weighing up to 300 grams only. The sector is already open for competition in respect of other articles *viz.* parcels, packets etc.
		Replace weight based monopoly with an agreed price multiple of the charges levied by India Post at minimum weight break.		The point of specifying price based monopoly has been delved upon at great length. Such a solution perhaps is not feasible in the Indian conditions as the same cannot be monitored effectively and there are great chances of gross violations by private couriers as is presently being done by them.
		Ample opportunity for private participants offering quality services in addition to the services offered by India Post given the requirements of commerce when the Indian economy is opening up and throwing business.		
		May attract legal consequences including the doctrine of promissory estoppels, legitimate expectation, right to carry on business under Constitution of India.		
		It is against the right of a citizen under the Constitution of India to practice any profession or to carry on any occupation, trade or business and also right to freedom of speech and expression which attract writing and sending of letters, trade or business.		
		It seeks to regulate control and expand the scope of Government monopoly when more and more sectors are opened to competition and freight rates.		

It seeks to monopolize commercial documents and making the courier companies accountable to the DOP on the ground that no proper regulatory framework or control exists.

Couriers have established on account of their competency, efficiency, reliability and being economical coupled with well behaved workforce.

It is an attempt for creation of monopoly for documents in favor of DOP, which is against WTO norms and adverse effect on trade and industry. All business will come to standstill if implemented due to in efficiency and lethargy.

Gamya:

They proposed exclusive privilege will result in delay in delivery of mail as couriers are fast than DOP. One has to spend 4 times by sending through speed post. This being split of liberalizing the mailing industry.

Customers should have options of service providers *i.e.* option of price and delivery timings.

CUTS International:

Monopoly and revenue sharing proposals are not good strategy to meet the loss suffered by DOP.

Letters so broadly defined that any form of communication could be regarded as letters and keeping such vast monopoly up to 300 gms goes against the current policy of opening up public services as where.

Courier and express operators not in competition with DOP as they don't carry ordinary mail but compete only for value added services as speed post and express post. The existing segmentation of market for postal services ordinary mail *vs* express government should presser it rather than create further segmentation of the market.

The private couriers are free to offer whatever sercvices they desire to for the segments of business excluding letters weighing 300 grams.

The provision for exclusive conveyance of letters does not appear to violate the right to carry business etc. as it does not bar any legitimate business establishment to render services which do not fall within the reserved area....

Morever, the monopoly is prevalent in most of the countries of the world though to varying extent.

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		The proposed monopoly would leave no choice for consumers who would then be forced to approach postal department for mail up to 300 grams. The Amendment will create another hurdle for business across India hitting severely countries competition lead growth plan. **Karnataka Courier Employees Welfare Association:** The proposed amendment if implemented will snatch employment of lakhs of people. Government will not be in a position to give job. **Federation of A.P. Chamber of Commerce of Industry:** Simultaneous promotion of public sector as well as private sector in telecom segments has benefited the public at large. Therefore, it becomes difficult to appreciate the stand of granting monopoly to the DOP in the matter of carrying letters. Industry and commerce have benefited from the courier services. The proposal will reverse the economic growth. **US India Business Council:** It will exclude the private sector from providing efficient document delivery service. The monopoly may be defined in a narrowest possible way. It be based on a reasonable and clear combination of price and weight threshold for the letters with a view to exclude all value added services *i.e.* express delivery services from the postal monopoly. Full and open access to Indian market will facilitate the introduction and development of infrastructure. Avoiding public expenditure while facilitating integration of different regions with India and between India and the world. **Coalition of Service Industry:** Monopoly may be weight and price based stimulating economic		

efficiency and increased consumer's choice through competition as contained in EU postal directive.

Kerala Chambers of Commerce and Industry:

It will be a death blow to courier industry and about one lakh people employed with it. It is to safeguard DOP from competition. It is against the spirit of competition and free market and cut of the choice of customer to choose the best.

Private couriers have made huge investments in the sector including infrastructure and expenditure for advertisements, imposing restrictions after the doors are one opened is against the principle of natural justice and put the business community in a disadvantageous position.

Nag-Vidarbha Chambers of Commerce and Industry:

It would result totaly destroying the courier industry as delivery letters and small packets is the backbone of the industry. Loss of work and income to a great number giving rise to loss of socio-economic problem.

It is a necessity in the world of globalization and liberalization as growth trade and economy depends on speed at which the work is completed. They cater to the industry where DOP fails.

Monopoly will result in loss of revenue by way of service tax *i.e.* paid to the government. In addition to it, it will result into losses to the Airlines and Railways, which the courier industry employees for their shipments.

DOP will not be able to handle extra work as it does not have enough space, manpower or logistics,

It will send wrong signals to the world in a view of such a backward legislation.

Indian Chambers of Commerce and Industry Coimbatore:

It will kill strong courier industry and limit the choice of consumers. It will impact other industries also.

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		Couriers are available on Sundays not the DOP. It is to safeguards the DOP for competition, which is against the principle free market and entrepreneurship. **Pitney Bowes:** Express mail market be excluded from the definition of reserved area as is the case around the world. Express segments may be excluded from reserved area by defining the reserved area as a multiple of the basic tariff (instead of or as well as through a weight threshold). Reserved area of 300 grams appear excessive it may be around 100 grams level combined with a specific power to the MRDA to review the appropriateness of the reserved area after, say, three years. **Views of individual received through emails and through post on:** It will snatch right of consumers to choose service providers of his choice. Couriers services are fast, less priced, quick, courteous and efficient as compared to DOP's services. Will result in wastage of valuable time in post office, facility of late dispatch through the couriers will be denied as working hours of the post offices are restricted generally up to 1600 hours. Pick up services even for one or two article without any extra charge at and delivery in fixed time frame of time sensitive documents. Presently services of post offices are not good and efficient after monopoly what will happen can be well imagined. Result in huge unemployment in courier sector due to retrenchment		

and non growth of the sector as couriers are handling documents which are largely below 300 grams.

Business in bulk is not accepted in post offices.

Handling of Complaints on phone by couriers and prompt response thereto is not available in post offices.

Monopoly not required in the age of free market and trade.

Transmission and delivery of documents will impact Indian Economy adversely.

There is need of improvement in services instead of this proposed amendment.

AD for ordinary mail will not be possible to be delivered by the DOP.

No weight based monopoly but open competition is needed.

The price of services of the couriers may be higher than that of the DOP.

Monopoly will lead to inefficiency, high cost and less accountability.

2. Creation of Regulator:

Section 6A to 6K of draft IPO (A) Bill-2006

Federal Express, DHL, EICI, Courier Association of India, Global courier Association, Global Express Association, Gujarat Courier

Association, National Courier Association, Pitney Bowes:

Regulator not requires as various statutes of country under Government of India controls Express Industry besides prevailing general law of India.

Express industry both domestic and international and general transportation are separate and distinct industries thus being kept outside the authority of Postal Regulator.

Regulatory Mechanism

Adequate and proper safeguards have been proposed in the form of independent multi-member Mail Regulatory and Development Authority and Mail Disputes Settlement Tribunal, which are independent of the DOP and having representation from different quarters.

The role of this authority could be to create a level playing field, regulate and develop the mail sector in the interest of consumers as well as service providers

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		Proposed Amendment empowers the department of Post to regulate multiple sectors unnecessarily. Requiring registration with DOP of logistics and cargo companies, trucking company, express transportation company even an Airlines which all carry goods capable of being transmissible by post. Independent Regulatory Authority provision in line with directions of reforms but the proposed amendment Bill expands the monopoly provision for the DOP regulate international courier and Express operators. No need of Regulator as it is needed when there is a threat of monopoly affecting consumer interest. Intense competition in terms of pricing and quality have a choice for the customers. No representation of private courier has been proposed on MRDA. An independent Regulator be there to ensure a complete and transparent separation between the postal regulatory function, the national postal operator, and other government authorities and should have jurisdiction over the services provided by the universal service provider. No need for regulator as free business environment is what is required. CAI welcomed the MRDA proposal provided it is an independent body and one Member of the Committee from the courier industry. **Gamya:** Welcomed the establishment of an independent MRDA and hope that the authority will address the issue such as liability of liquidated damages for negligence and delivery of letters and irregular price practices effectively. **CUTS International:** MRDA will not be independent as Chairperson and other Members will be appointed by Central Government. There should be a committee		providing mail services that will include couriers. The apprehensions expressed in some quarters that the Government will not be as efficient as courier companies are not borne by facts. India Post is the most efficient communication system. The volume of mail handled by India Post is far more than all courier companies put together. The presence of India Post through its 1,55,000 post offices functioning effectively everyday throughout the country including the remotest and inaccessible areas, is a testimony to its efficiency. The government has already established the required infrastructure throughout the country through its 1,55,000 post offices as against the limited operation of the couriers who do not have an infrastructure to reach every corner of the country.

comprising of professionals for appointing the member of MRDA without the government veto.

The age limit not exceed 60 years to avoid becoming it another roasting place for retired/retiring bureaucrat or a judge.

US India Business Council:

Regulatory Authority should be independent and separated from the postal operator.

No DOP's jurisdiction over commercial express service providers.

Independent regulator there to ensure a complete and transparent separation between the postal regulatory authority, the national postal sector and other government authorities. Postal regulator should have jurisdiction on the services provided by universal service providers.

Pitney Bowes:

Independence of MRDA explicitly stated within the proposed amendment in respect of resources that are made available to the authority. As it allow that authority to establish and clear and predictable economy framework within which the Indian Post and other market can operate. Many of the function and powers of MRDA are directed towards registered service providers. Its powers should equally be focused on the targets of the Universal Service Provider and for the overall health of the letter mail and wider mail stream sector.

The MRDA should have the powers and resources to support the Indian Post and sectors in respect of

(i) defining USO and identifying the cost of this under current arrangements and under new ways of providing the USO such as outsourcing services and through the use of new technology.

(ii) have powers and resources to support the Indian Post in its move toward cost accounting; to review tariffs, including discounted tariffs for businesses based on work share arrangements;

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		(iii) in establishing quality of service performance targets and reviewing performance against these; (iv) to collect sector wide letter mail volume statistics from the Indian Post and from registered service providers. The collection and publication of market letter mail statistics is critical for the MRDA to understand the on-going viability of the USO and for other mail service sector stakeholders; (v) to ensure a "level-plying field" between the post, registered service providers and other stakeholders. In this regard, the proposed mail Disputes Settlement Tribunal might also helpfully embrace disputes between the universal service provider and third parties (and not just between registered service providers and the government and/or MRDA). For the purpose of clarity the powers and functions of the authority should be under the heading registered service providers, Indian Post and the wider sector. Postal Services Board should include the expectation of the Government from the universal service provider as incumbent operator. Set out the broad responsibilities expected of the posts including for example Postal Services Board will deliver in respect of financial, customer quality target as may be defined. Definition of postage stamping machine is not sufficiently precise. Section 16, clause (da) relating to regulating the use of postage stamping machine is too wide and likely to constrain the scope for growth mail volumes and efficiency within the network of the India Post. The Bill should sent a clear signal to the post and the MRDA in respect of any technological offering capable of providing greater excess to users or enhancing the revenue protection and the efficiency within the network of the India Post.		

3. Universal Service Obligation fee:

Federal Express, EICI, Blue Dart, DHL, Courier Association of India, Rajasthan Couriers Association, The Professional Courier Pvt. Ltd. All Gujarat Courier Association, Uttar Pradesh Courier Association.

No need for 10% of annual turnover as USO fee on the following grounds;

(a) Monopoly is to enable to post to meet its USO therefore, no need for additional tax.

(b) Express carriers not in postal segments.

(c) Express companies not required to pay taxes beyond those other business.

(d) India Post should pay for its USO.

(e) This tax impact the services provided by express industry. It would make the cost of doing business in India more expensive and would make India a less attractive place to invest.

Hamper efforts to develop infrastructure necessary for business and to remain competitive.

Not justified as DOP is engaged in Express Courier Business through its speed post operations, without imposing strict and clear accounting transparency and regulatory control preventing the DOP from using the monopoly on universal services to in anti-competitive practices in other service sector.

USO fee will derail investment commitments into building India logistic infrastructure.

Industry is already bearing burden of 12.24% service obligation and additional 10% in terms of USO will have a far reaching negative impact on the Indian economy. This additional cost will be passed on to the customers making exports and imports expensive leading to a cascading

USO Fee

Universal Postal Service Obligation —

The Universal Postal Union (UPU) has defined Universal Service Obligation, which reads as follows;

"In order to support the concept of the single postal territory of the Union, member countries shall ensure that all users / customers enjoy the right to a universal postal service involving the permanent provision of quality basic postal services at all points in their territory, at affordable prices.

2. With this aim in view, member countries shall set forth, whithin the framework of their national postal legislation or by other customary means, the scope of the postal services offered and the requirement for quality and affordable prices, taking into account both the needs of the population and their national conditions.

3. Member countries shall ensure that the offers of postal services and quality standards will be achieved by

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		effect on the economy in terms of making both export, import more expensive. USO fee will make less competitive not only in global economy but also against all logistic providers. Private courier plays an important role in nation building providing an infrastructure for movement of goods both for trade within Indian and abroad. It will result as a tax on efficiency as more efficient a courier compnay higher the USO fees and penalized companies for growth and expansion. USO fee not be imposed as the private operators have very meager margin of profit and it is the obligation of the Government therefore not to be collected from the private operators. The Act is against the policy of the Government of inviting private sectors to take the responsibility in some areas. Not justified as Express delivery companies do not operate in the universal service area. As monopoly is sought to fund universal service this unusual tax not required. The universal commitments are undertaking of the whole nation and their cost are commonly and properly governed by the entire population. Its shifting to private sector industry in unfair and counter productive. All Government have several social obligations. The private sector may not be penalized and made to pay for the same. Service tax may be converted into USO fee and facility like Railway, Indian Airlines at consessional rate may be made available to private couriers for this purpose. Other professional like doctors, engineers, CAs, Legal Advisor working in urban areas are not subjected to high registration fees and no USO Fee on their turnover then why on couriers.		**the operators resposible for providing the universal postal service."** India is a members to the Universal Postal Union, which has adopted this. Thus, wherever people live- even in the remotest corners of the country - they get mail facilities at affordable price from Indian Postal Department, today. Anyone who takes advantage of entering into mail business using the liberalization through this Bill, should naturally and logically also be responsible for extending USO. However, the Bill does not put any burden on small / medium couriers and expects only the large couriers (with Rupees twenty five lakhs and above business) to share the USO The proposal involves levying this fee only on big service provider having Annual Revenue of rupees twenty-five lakhs or more. Small couriers will not affected. India is a vast geographical region comprising of remote, hilly, tribal and backward areas mostly inhabited by poor people. The world over, Universal Postal Service Obligation (USO) normally rests with the historic service provider which is usually controlled by the government. The Department of Posts provides postal services on highly subsidized rates to ensure affordable and guaranteed service to all its citizens '

	Pitney Bowes The issue of scope and cost of USO either directly in the legislation itself or by giving the MRDA specific function to define the USO and quantify its cost as one of its first items of work may be addressed in the Bill. **Responses received through email and post** There is no need to charge USO fee as the courier industry is already paying service tax. This will result in costlier services to the consumers. This tax may be converted as USO fee. The proposed amendments are to raise revenue of the Department. A tax like education cess may be imposed on couriers and retrenchment of staff resorted and use of daily wages worker adopted. **Cuts International** USO fund not required in view of the clear segmentation of the market. The USO fund established in Telecom Sector not utilized yet. Independent Committee may examine the failure of the government in telecom sector before it heads into another fiasco. Suggested for utilization of nation wide network of DOP to provide non mail services to raise additional revenue. DOP may also exploits its huge and prime real estate to generate revenue on continue base. Allow private companies to pay their bill at local post office to earn revenue Other similar avenue may be identified. USO fund and monopoly could dampen initiatives to generate revenue. It will increase the cost of service. There is possibility of multiple suppliers of service in Indian market due to its vastness, geographically and financially.		Contrary to this, private couriers operate in profitable areas only like big urban and business centers with the sole motive of profit. Hence, the large couriers only are expected to share at least to some extent the Universal Service Obligation. Courier companies with annual revenue of over twenty-five lakhs are only required to contribute towards USO

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		US India Business Council The industry already pays into general revenue of the Government through other taxes thus no need for USO. Courier and express delivery service companeis do not provide universal service therefore not required to fund the USO. It would hamper FDI and benefit to the Indian economy. **Coalition of Service Industries** USO fee may be applicable only to those companies which are working in postal sector and not express courier industry as both segments are different. The express delivery companies not be forced to pay taxed beyond those required of other businesses. EU postal directive provides that any compensation fund should only be supplied to those companies that are providing services within the USO. It acknowledges that if couriers are not ready to operate in the remotest places of the country they should bear some cost and supported the compliance to USO though it may result in price hike in courier charges. **4. Restriction to limit foreign ownership to 49%** **EICI, DHL, Federal Express, Blue Dart, Rajasthan Couriers Association** The proposed definition of person will debar company having stake more than 49% held by foreign investors in carrying out business. Presently no limit to foreign ownership of entities in courier and express industry. The amendment will require already existing FDI to be disposed giving a message to global companies in all industries that level of investment in India could be changed arbitrarily. Proposal is against global norm of opening express services to FI.		

Defination of 'person' result in the international EICI members being excluded from the term.

No requirement of registration for the international members and can continue to operate with registration or will not be permitted to be rgistered as the company does not have a minimum of 51% share of Indian shareholders. Clause 3 (v)(iii) needs to be as A company that is registered in India.

5. Registration Fee

Blue Dart, DHL, Federal Express, Continental Overseas Couriers, National Courier Association.

No objection at nominal agreed fee one time.

The Proposed registration and renewal fee is too high. No need for it. The progress attained by banking and industry sectors is on account of contribution made by courier industry. Small and Medium courier compnaies offering international service will be forced to shut down leaving only big players in the field forming a cartel which will be against the competition and against the interest of consumers.

Foregien players like DHL and TNT shall not be covered under the provision.

6. Registration

(Section 4B, 4C, 4D of proposal)

Federal Express, Delhi Courier Association, Gujrat Courier Association

Requirement for registeration as per proposed Section 4B not only extends to courier companies but may extend to any entity which carries a postal article or anything transmissible by post. World 'Postal Article' should be deleted from the Provision of Section 4C(1) to limit the provision to regulate the couriers.

Current courier regulations required to go through stringent procedures before their registeration as authorized couriers.

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		International courier sector is over regulated and does not want dual control and regulation by more than one agency. Dual registeration is not desirable when Government is trying to deregulate and simplify procedures to facilitate the trade and exports. Not correct to suggest that courier companies were operating in total violation of law. Most of courier companies are registered with the Registrar of companies and service tax department. Payment of six thousands crores by this industry and accepted by the Government **CUTS International:** Registration fee and renewal fee are high There should be a comprehensive discussion on it as the healthy economy market forces are the best regulator. The EU will open their postal delivery to competition by 2009 and may had already opened it. The DOP should not go against the worldwide trade. **US India Business Council:** Registeration is limited to the company having foreign ownership to 49% of express service whereas 100% FDI already exists. Thus the proposal will hamper growth of express courier industry **Coalition of Service Industries:** It will restrict the FDI at 49% which is 100% at present in the sector and require already existing FDI to be disposed of. It will impair the climate for direct FDI. Express service providers are leaders in new field of logistics which opens many opportunity in manufacturing and service sector. These help Indian companies to be more competitve and be better integrated into the global economy.		

Piteny Bowes

Provision of Section 4 C (1) provides that service providers may do the job of carrying on any act of performing any service relating to carriage to delivery of any postal article or letter of approved by the registeration authority. Though the other parts of the Bill para 4D to and Section 58(2) seems to be at odds with this understanding.

If registeration were refused the mail as much as 7 million items could be reverting to the network of the Indian post office. The DOP would not be able to cope with such increase volume leading to problem for mail producers. MRDA be a judge and deciding whether a particular service providers will be registered for letter mail services or not.

The terms service providers may be defined in relation to liability to the Universal Service Fund.

Responses recived through email and post

Far a service different registerations are not required.

Registeration and renewal fee will affect consumers as services will be costlier.

7. Penalty

Federal Express

Penal provisions providing for punishment such as imprisionment and high penalties when applied to private courier companies could create hostile enviornment for the courier industry.

Penalty amounts are huge, need scaling down and applicable only in he cases when it is established beyond doubt that a company intentionaly and with a profit motive carriage a letter.

For courier companies it may not be practicably feasible each and every packages looking for a letter, therefore penalties need to be limited to fines and not imprisonment.

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		8. Definition of Person Sepecific approval was sought by foreign investor from Froregien Investment Promotion Board. They have to perforce divest their stake in wake of new defination of person. This is against the FDI guidelines raising serious and complicated legal questions. The proposal restricts FDI to 49%, which is against the FDI policy of the Government of India, which allows 100% investment in Express Courier Services for carrying package, parcel and other items not coming under ambit of the Act. **9. Issue of Employment** **DHL, Delhi Courier Association, Continental Overseas Couriers, Professional Couriers Pvt. Ltd. Uttar Pradesh Couriers Association** Current employment level will not be sustained with the significant business being lost due to monopoly resulting creating huge unemployment. **10. Amendment in Section 4(1)(b)** The proposal of deletion of provision relating to conveyance of letters solely concerning the affairs of the sender or receiver thereof sent by a messenger on purpose. Infringing upon the need of entities such as banks, law firms, and other companies which use express delivery. **11. Definition of letter** Inclusion of email communications sent to specified email address is not intended to be under the exclusive privilege. **Rajasthan Couriers Association** DOP may be converted into an independent company like BSNL for facility and good services to the customers through competition.		

12. Issue of Liability (Section 6):

District Consumers Information Centre, Ramanathpuram, T.N.

Section 6 may be amended to make liable for reasons of loss, mis-delivery or delay or damage to any postal article or registered service providers including DOP. The old Section 6 of the Act was not in synchronization with modern views of consumer's protection.

Delay may be defined in the Act stating that it will be assessed on the basis of undertakings by the service providers at the time of taking up the responsibility for transmission and charter if any guaranted by the service providers.

Consumer Protection Council, Tamil Nadu., Tiruchirappalli:

Drop section 6 to become proficient Hire more postman, workman and less at higher level.

13. Lack of Transparency and accountability in private courier operations.

National Consumer Helpline has intimated that they are receiving a large number of complaints against several Private Courier Companies — National as well as International. It is suggested to regulate there courier companies for redressal of customer complaints. The provision regarding above is suggested to be made in the draft amendment proposal.

14. Other suggestions:

Department may resume Railway Mail Service, becomes courteous and efficient, earn goodwill of the costomers for survival. Competition is choice of customers.